

Canyon Fuel Company, LLC
Dugout Canyon Mine
 P. O. Box 1029
 Wellington, Utah 84542
 (435) 637-6360 Fax: (435) 637-0108

6 August 2001

Ms. Pamela Grubaugh-Littig
 Utah Coal Program
 Utah Division of Oil, Gas & Mining
 1594 West North Temple, Suite 1210
 P. O. Box 145801
 Salt Lake City, Utah 84114-5801

RECEIVED
 DIVISION OF
 OIL, GAS AND MINING

Response
AM01A-2
Income
C/O

Re: Second Response to Technical Analysis on Leach Field Addendum (A-1) to the Dugout Canyon Mine M&RP, Carbon County, Utah, ACT/007/039.

Dear Ms. Grubaugh-Littig:

Enclosed with this letter are the C1 and C2 forms and five copies of a permit modification application to the Dugout Canyon Mine's Leach Field Addendum A-1. Three copies of pages with the modified text denoted with "redline/strikeout" marks are included. This application consists of modifications to the Leach Field Addendum made as a result of the 1 August 2001, Division's Technical Analysis of CFC's second submittal for the leach field. The leach field is located 1.5 miles to the southeast on surface lands owned by the Bureau of Land Management.

Also, attached to this letter is a list of deficiencies the Division's noted during the review of our second Leach Field submittal and CFC's response to the deficiencies. Enough copies have been attached to be included with each of the five copies.

If you have any questions regarding this submittal, please call Gary Taylor at (435)448-2620.

Sincerely,

Gary E. Taylor

Gary E. Taylor
 Sr. Environmental Engineer
 Canyon Fuel Company, LLC

Enclosures

cc: Steve Demczak, Price Field Office

Response to Deficiencies

The deficiencies are described below and accompanied by a brief description of the response by CFC:

R645-301-322, Plate 3-2 needs to be revised to include the status and correct year in which the 2001 survey conducted. The legend also needs to correspond to the appropriate year in which the survey was conducted, (01), to correctly follow suit with the legend of the previous surveys.

Plate 3-2 was corrected to show the current status and correct year in which the 2001 survey was conducted.

R645-322, -301-333, -301-342, -301-358, Protection and Enhancement Plan.

Page 3-5 was updated to include wording that stated construction would begin until after 15 July 2001 to ensure the nests are protected.

R645-301-330, -301-331, -301-332, Section 232.600 of the application needs to be revised as not to conflict with Appendix 3-3 section 3.1.1 of the approved M&RP.

Page 2-6 was updated to include wording that will better the requirements of Appendix 3-3 section 3.1.1 of the approved M&RP.

R645-301-323, -301-512, -301-542, -301-632, -301-731, the application needs to address and meet the requirements of these sections of the regulations.

Page 5-10 was updated to clarify were the drawing showing the reclamation map could be found.

R645-301-521.133, the permittee must describe how the public will be protected from construction that will take place within 100 feet of a public road.

Page 5-6 was updated to include a section for construction markers and where they will be placed and other measures to protect the public during construction.

R645-301-521.250, the permittee must install disturbed area boundary markers in the drainage ditch of the Dugout road (county road) where the pipeline will be placed.

Page 5-6 was updated to clarify under section called "perimeter markers" the areas where perimeter markers are required.

R645-301-521.163, -521.190, the permittee show that the pipeline corridor is part of the disturbed area and the permittee must include one map in the M&RP and addendum that shows all the disturbed area boundaries.

Plate 1-5 illustrates the pipeline route in red. The legend at the bottom of the plate states that the pipeline corridor and disturbed area are one and the same. This was discussed with Mr. Daron Haddock in a meeting on 2 August 2001.

Plate 1-4 shows the entire permit area, as well as, the disturbed area. The disturbed areas are shown in a black line for the mine site and pipeline and red colored area for the leach field. The total number of permitted and disturbed acres is included in the legend. Ms Pamela Grubaugh-Littig agreed to this format as part of Reclamation Agreement.

Form DOGM - CI (Last Revised August 6, 2001)

File Folder # 3

APPLICATION FOR PERMIT PROCESSING

Permit Change <input checked="" type="checkbox"/>	New Permit <input type="checkbox"/>	Renewal <input type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: ACT/007/039
Title of Proposal: 2 nd Response to Technical Analysis of Leach Field Construction Dugout Canyon Mine						Mine: Dugout Canyon
						Permittee: CANYON FUEL CO., LLC

Description, include reason for application and timing required to implement:

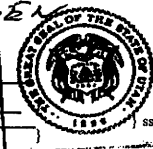
Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input checked="" type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

☐ Attach 5 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Signed - Name - Position - Date
R. W. Olsen Gen Mgr 8/6/01
 Subscribed and sworn to before me this 16 day of Aug, 2001.
Dionne M. Oman
 Notary Public
 My Commission Expires: 12-15-02
 Attest: STATE OF Utah COUNTY OF Carbon



DIONNE M. OMAN
 NOTARY PUBLIC - STATE OF UTAH
 891 NORTH 300 EAST
 PRICE, UTAH 84501
 COMM. EXP. 12-15-2002

Received by Oil, Gas & Mining

DIVISION OF
OIL, GAS AND MINING

ASSIGNED TRACKING NUMBER

Title of Application: 2 nd Response to Technical Analysis of Leach Field Construction
Dugout Canyon Mine

Mine: Dugout Canyon

Permittee: CANYON FUEL CO., LLC

DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED

[illegible]

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